

[12 December, 2006]

RAJYA SABHA

(c) and (d) A meeting was held by the Deputy Governor of Reserve Bank of India with the Administrator and other senior officials of the Bombay Mercantile Co-op. Bank Ltd., Mumbai on August 7, 2006 to review the financial position of the bank. The Bank was advised to draw up an action plan, which should include measures like:

- (i) Formulate a long term strategy with short term targets for turnaround of the bank.
- (ii) to recover NPAs of about Rs. 120 crore by March 31, 2007
- (iii) increase share capital
- (iv) Consider raising long term bonds and persuading large depositors for restructuring of their deposits.

Smuggling of watches

2166. SHRI DHARAMPAL SABHARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that over 60 per cent watches sold in the country are either smuggled or made from smuggled parts;

(b) if so, what are the steps Government have taken/propose to take to curb the illegal import of watches/parts to help and encourage legitimate Indian business entities engaged in the manufacturing of watches;

(c) whether it is also a fact that All India Federation of Horological Industries (AIFHI) have requested Government for rationalization of duty on watch and watch components; and

(d) if so, what are the details in this regard and Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No such information is available in the Ministry. However, available intelligence does not indicate that there is any large scale smuggling of watch and watch parts. The seizure figures, given below, for the last three financial years confirm that there is no substantial smuggling of watch and watch parts.

Year	Value of seized goods (Rs. in crores)
2003-2004	2.87
2004-2005	4.00
2005-2006	1.97

(b) All field formations including Directorate of Revenue Intelligence have been adequately sensitized to maintain strict vigil to prevent and thwart the smuggling of watches and parts.

(c) and (d) Yes, Sir. Ministry has recently received a representation from All India Federation of Horological Industries (AIFHI) for rationalization of duty on watch and watch components. The said representation is under examination.

Universal access to banking facilities

2167. SHRI RAJEEV SHUKLA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a large number of rural people in the country have no access to banking facilities;

(b) whether Government have any scheme for universal financial inclusion that ensures that suitable and adequate banking facilities are available to every person across the country;

(c) if so, the details thereof; and

(d) if not, the reasons therefore?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) No, Sir.

(b) and (c) In order to ensure greater financial inclusion and provision of adequate banking facilities to poor following instructions *inter-alia* have been issued by the Reserve bank of India:

(1) Mid term Review 2005-06 urges banks to align their policies to enable greater financial inclusion. Banks have been advised to